

NEWS from

U.S. Senator Jeff Bingaman

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BINGAMAN: KEY COMMITTEE ADVANCES LANDMARK HEALTH INSURANCE REFORM BILL

Senator Helped Write Bill That Protects New Mexicans Who Have Health Insurance, Extends Coverage to Those Who Don't

WASHINGTON – U.S. Senator Jeff Bingaman today voted to approve legislation he helped write to better protect New Mexicans who have health insurance, contain increasing health care costs and extend health care coverage to those who are currently uninsured.

The Senate Finance Committee today approved (14-9) the "America's Healthy Future Act." The measure can now be merged with a bill approved earlier this year by the Senate Health, Education, Labor and Pensions Committee, and debated on the Senate floor. As the only Democrat who serves on both the HELP and Finance Committees, Bingaman was in a unique position to influence both pieces of legislation.

"We have been talking about health insurance reform for decades. With this vote, we're finally on a path to enacting it," Bingaman said. "This bill reduces the growth in health care costs, which is important to all American families but particularly important to New Mexican families, who are expected to experience the highest growth in premiums in the nation if reform is not enacted.

"The bill also prevents insurance companies from denying health insurance to Americans because they have pre-existing conditions. It also prevents insurance companies from capping coverage at an annual or lifetime level. And if Americans like the coverage they have, they can keep it Bingaman said. In short, it is a very good bill for Americans and, in particular New Mexicans, who already have insurance."

Bingaman also said the bill will provide health care coverage to millions of Americans who do not currently have it. Such reform is critical to New Mexico, the second most uninsured state in the nation. It will do so by creating a "exchange" – a marketplace -- where individuals can purchase insurance, and by creating new tax credits to help defray the cost.

Bingaman is a strong supporter of the public option -- a health care plan available to all Americans receiving coverage in newly formed health insurance "exchanges" that focuses exclusively on providing care, not turning a profit. The Finance Committee bill does not contain

a public option, but Bingaman is hopeful that the final bill sent to the president contains a public option or another plan that would provide an affordable health care plan for all Americans to choose from.

“This bill is a very good start, but we’ve still got work to do,” Bingaman said. “I will continue working to make this the strongest bill possible.”

Bingaman wrote or co-wrote several key provisions in the America’s Healthy Future Act. As a member of a bipartisan group that helped shape the first draft of the bill, Bingaman was influential in improving the level of tax credits available to lower- and middle-income Americans to help pay for coverage.

One of the provisions of the bill extends Medicaid to millions of Americans who currently do not qualify. To ensure New Mexico could pay for the expansion, Bingaman worked to ensure that the state will get the maximum amount of federal dollars available. As a result, between 2014 and 2019, the federal government will pick up 95 percent of the cost of New Mexico’s Medicaid expansion.

Bingaman also worked to help make health insurance more affordable for seniors. Specifically, he worked to eliminate or reduce cost-sharing for seniors enrolled in the prescription drugs plan to help them get through the current gap in coverage known as the “doughnut hole” so that they may receive catastrophic coverage at which point the federal government covers more of their costs.

To improve health care delivery in rural parts of the state, Bingaman incorporated a proposal that allows primary care physicians to do the majority of their residencies in community health centers, rather than hospitals. He also wrote a provision that will create a new Medicare payment system for community health centers, which currently lose tens-of -millions of dollars every year treating Medicare patients. Community health centers are typically in rural communities.

Bingaman also is a strong supporter of bonus payments for primary care physicians and wrote a proposal that guarantees that 50 percent of new physician training slots reimbursed by the Medicare program are placed in rural and underserved communities; both of these provisions are in the bill approved today.

“To meet New Mexicans’ health care needs, we not only need to improve health insurance, we also need to improve the delivery system,” Bingaman said. “This bill will help ensure that rural states like ours can attract and retain medical professionals as well as significantly improve the quality and efficiency of our healthcare system.”

Bingaman also wrote a key provision that will transform the way healthcare is delivered to allow for “bundled payments,” which will incentivize higher quality care in the Medicare program as well as reductions in payments when Medicare beneficiaries do not receive appropriate care and are readmitted to hospitals.

Once provisions from both the HELP and Finance committees are made into a single bill, it will be brought to the Senate floor for a vote.